

**CONTRACT AMENDMENT NO. 1**  
**TED LECHNER YOUTH SERVICES CENTER**  
**CONTRACT NO. COR-INTRGV-2022-0436-PHCF**

This CONTRACT AMENDMENT No.1 amends the above-referenced contract between the **State of Montana, Department of Corrections** (State), whose address and phone number are P.O. Box 201301, 5 South Last Chance Gulch, Helena, MT 59620-1301, 406-444-3930 and **Ted Lechner Youth Services Center**, (TLYSC), whose address and phone number are 410 South 26<sup>th</sup> Street, Billings, MT 59101, (406) 256-6826. This Contract is amended for the following purpose(s):

- 1) In accordance with Section 3, of the above-referenced contract, entitled Effective Date, Duration, and Renewal, parties mutually agree to extend this Contract for the period October 1, 2022, through September 30, 2023, per the terms, conditions, and prices agreed upon. This is the 1<sup>st</sup> renewal, 2<sup>nd</sup> year of the Contract. This Contract, including any renewals, may not exceed a total of seven (7) years.
- 2) In accordance with Section 12, of the above-referenced contract, entitled Compliance with Laws, parties mutually agree to replace the previously agreed-upon language with the language as shown below:

**12. COMPLIANCE WITH LAWS**

**12.1 Applicable Laws.** TLYSC shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. TLYSC is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act 42 U.S.C. § 18001 et seq. TLYSC will comply with the Prison Rape Elimination Act 34 U.S.C. § 30301 et seq., the Prison Rape Elimination Act final rule 28 CFR Part 115, and MDOC Policy 1.1.17, Prison Rape Elimination Act to include incident reporting. State has a zero-tolerance policy as to incidents of sexual assault/rape or sexual misconduct in its correctional facilities or premises. TLYSC is referred to § 45-5-501 MCA. Any subletting or subcontracting by TLYSC subjects subcontractors to the same provisions. In accordance with § 49-3-207, MCA, and State of Montana Executive Order No. 04-2016, TLYSC agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.


**12.2 Affordable Care Act.** The Affordable Care Act requires TLYSC, if TLYSC is an applicable large employer under the ACA, to provide healthcare coverage for its employees who provide services for the State and work for 30 or more hours per week. This coverage must also cover the eligible employee's dependents under the age of 26. The coverage must (a) meet the minimum essential coverage, minimum value, and affordability requirements of the employer

responsibility provisions under Section 4980H of the Code (ACA), and (b) otherwise satisfy the requirements of the Code § 4980H (ACA).

Except as modified above, all other terms and conditions of Contract No. **COR-INTRGV-2022-0436-PHCF**, remain unchanged.

**STATE OF MONTANA**  
**Montana Department of Corrections**  
**5 S. Last Chance Gulch**  
**Helena, MT 59601**

**Yellowstone County**  
**On behalf of Ted Lechner Youth Services Center**  
**FEDERAL ID # 81-6001449**

DocuSigned by:  
  
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Steve Ray, Superintendent  
Pine Hills Correction Facility  
8/9/2022  
(Date)

DocuSigned by:  
  
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Donald Jones, Chairman  
Yellowstone County Commission  
8/9/2022  
(Date)

Approved as to Form:

DocuSigned by:  
  
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Ashley Salmon, Contracts Officer  
Financial Services Bureau  
8/4/2022  
(Date)

Approved as to Legal Content:

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Molenda McCarty, Legal Counsel  
Legal Services Bureau  
8/4/2022  
(Date)

## **TED LECHNER YOUTH SERVICES CENTER REIMBURSEMENT CONTRACT**

THIS CONTRACT (COR-INTRGV-2022-0436-PHCF) is made and entered into by and between the **Department of Corrections**, 5 S. Last Chance Gulch, Helena, Montana 59601 hereinafter referred to as (State), and **Ted Lechner Youth Services Center**, 410 South 26<sup>th</sup> Street, Billings, MT 59101, hereinafter referred to as (TLYSC).

NOW THEREFORE, in consideration of the foregoing and in consideration of the mutual covenants contained in this Contract, State and TLYSC agree as follows:

### **1. DEFINITIONS**

**Confinement** means the Youth Detainee is placed in a Youth Detention Facility and provided with services in accordance with the TLYSC's license.

**Day** means the 24-hour period (12:00 a.m. to 12:00 midnight) that is represented as one of the seven designated days of the week.

**Partial Day** means any portion of a day that is 12 hours or less.

**Youth Detention Facility** means a facility established and maintained by an appropriate entity for the purpose of confining arrested youth or youth sentenced to the detention center.

**Youth Detainee** means a person who is confined in a Youth Detention Facility.

### **2. PURPOSE & DUTIES**

TLYSC agrees to provide youth detention services to youth who are detained by Youth Court personnel pending a revocation of conditional release in accordance with § 52-5-128, MCA, upon presentation by an agent of Youth Court of a warrant to detain the youth.

### **3. DURATION OF THE CONTRACT**

**3.1 Term.** This Contract shall be in effect October 1, 2021 and terminate on September 30, 2022 unless terminated earlier in accordance with the terms of this Contract in Section 3.3.

**3.2 Contract Renewal.** State may renew this Contract under its then-existing terms and conditions (subject to potential cost adjustments described below in section 4) in one (1)-year intervals, or any interval that is advantageous to State. This Contract, including any renewals, may not exceed a total of seven (7) years.

**3.3 Termination.** Either party may terminate this Contract, without cause, upon 30 days written notice to the liaisons identified in Section 6 of this Contract.

**3.4 Modification and Assignability.** This Contract contains the entire Contract between the parties and no statements, promises, or inducements made by either party, or agents of either party, that are not contained in or authorized by this written Contract, are valid or binding. This Contract may not be enlarged, modified, or altered except upon written agreement of all the parties. Subcontractors and public or private agents of TLYSC are also bound by the terms of this Contract and TLYSC will not assign this Contract.

#### 4. **COMPENSATION**

**4.1 Establishment of Daily Per Diem Rate.** TLYSC agrees that the “costs of reasonable confinement” established herein are based on actual, reasonable costs and are exclusive of capital construction costs in accordance with § 7-32-2242(2), MCA.

**4.2 Payment of Daily Per Diem Rate.** State agrees to pay TLYSC a daily per diem rate of two hundred thirty-five and 00/100 Dollars (\$235.00) per day for each Youth Detainee confined at TLYSC and who is the financial responsibility of State.

**4.3 Transfer of Detainees.** TLYSC shall obtain prior approval from State to transfer a Youth Detainee to another Youth Detention Facility. TLYSC can only transfer a Youth Detainee to a State contracted Youth Detention Facility. If TLYSC transfers a Youth Detainee to another Youth Detention Facility, State shall reimburse each facility in accordance with their respective Detention Facility Reimbursement Contract entered into with State.

**4.4 Billing.** On a monthly basis, TLYSC shall furnish State with an itemized statement specifying the name, date of birth, and dates of confinement of each Youth Detainee whose confinement expenses are the responsibility of State. TLYSC agrees to furnish a separate itemized statement for medical expenses that are the responsibility of State, as provided by this Contract. State agrees to provide direct payment to the medical service provider, if requested to do so by TLYSC.

#### 5. **REIMBURSEMENT**

**5.1 Confinement.** State will pay TLYSC the daily per diem rate set forth in this Contract for each day of confinement. Reimbursement will include the first day of confinement (as defined in Section 1. herein) but will not include the last day of confinement when the Youth Detainee is released/transferred from the custody of TLYSC.

**5.2 Medication, Medical Services and Hospitalization.** Under the terms of this Contract, State will pay medical costs of Youth Detainees, who are the responsibility of the State and confined in TLYSC.

**5.2.1 .** TLYSC agrees to provide Youth Detainees with emergency medical treatment in accordance with acceptable standards of practice. The determination to provide a Youth Detainee with medication, medical services, or hospitalization shall be at the discretion of TLYSC’s qualified healthcare professionals.

**5.2.2 .** Whenever a Youth Detainee requires medication, outside medical services, or hospitalization, medical expenses shall be the responsibility of State. Prior to providing non-emergency medical services for Youth Detainees, TLYSC shall obtain prior authorization from State’s Clinical Services Bureau (CSB). Costs for services that have not had prior authorization will be the responsibility of TLYSC. Emergency care may be provided without prior authorization. However, State’s CSB must be notified by the next business day to provide information regarding the nature of the illness, the type of treatment provided, and the estimated length of treatment. Notifications should be submitted to [cormedical@mt.gov](mailto:cormedical@mt.gov). In the event a parent or legal guardian cannot be reached to provide consent for emergency services, the Pine Hills Correctional Facility (PHCF) Superintendent or designee may consent to necessary medical treatment for the youth pursuant to Montana Code Annotated § 52-5-105.

**5.2.3 .** All medical bills received are required to be submitted to [corbilling@mt.gov](mailto:corbilling@mt.gov) and will be reimbursed at Medicaid rates.



**5.2.4** . In the event a Youth Detainee requires hospitalization and State is unable to provide on-site supervision, TLYSC agrees to provide appropriate custodial staff to supervise the Youth Detainee until release from detention status. State agrees to reimburse TLYSC for the wages of custodial staff.

**5.2.5** . When possible, medications should be ordered through State's contracted pharmaceutical company. State encourages TLYSC to reference the MT DOC Medication Formulary when possible.

## **6. LIAISON**

**6.1. Contract Liaisons.** All project management and coordination on State's behalf must be through a single point of contact designated as State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed under this Contract must be coordinated between State's liaison and Contractor's liaison.

Teri Young is State's Liaison  
4 N. Haynes  
Miles City, MT 59301  
(406) 233-2266  
[tyoung@mt.gov](mailto:tyoung@mt.gov)

Valarie Weber is Contractor's liaison  
Liaison  
410 South 26<sup>th</sup> Street  
Billings, MT 59101  
(406) 256-6825  
[vweber@yellowstonecountymt.gov](mailto:vweber@yellowstonecountymt.gov)

**6.2 Contract Manager.** State's Contract Manager identified below is State's single point of contact and shall perform all contract management on State's behalf. Written notices, requests, complaints, or any other issues regarding this Contract should be directed to State's Contract Manager.

Kristi L. Hernandez is State's Contract Manager  
5 S. Last Chance Gulch  
Helena, MT 59601  
(406) 444-9649  
[kristi.hernandez@mt.gov](mailto:kristi.hernandez@mt.gov)

**6.3 Notifications.** State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, email, mail, or facsimile. If notice is provided by personal service, email, or facsimile, the notice is effective upon receipt; if notice is provided by mail, the notice is effective on the third business day after mailing.

## **7. INDEMNIFICATION**

TLYSC shall protect, defend, indemnify, and save harmless State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, from and against all claims, liabilities, demands, causes of action, judgments, and losses, including all costs of defense and reasonable attorney fees, arising in favor of or asserted by TLYSC's employees and agents, its subcontractors, its subcontractor's employees and agents, or third parties on account of property damage, personal injury, bodily injury, death, or financial or other loss of any kind that in any way, directly or indirectly, arise or allegedly arise out of or in connection with this Contract.

TLYSC waives all claims, demands, causes of action, and recourse against TLYSC, including claims of contribution or indemnity, arising in favor of TLYSC on account of property damage, personal injury, bodily injury, death, or financial or other loss of any kind that in any way, directly or indirectly, arise or allegedly arise out of or in connection with this Contract.

## **8. ACCESS AND RETENTION OF RECORDS**

TLYSC agrees to provide State, the Legislative Auditor, or their authorized agents with access to any records necessary to determine Contract compliance. TLYSC agrees to create and retain records supporting the services rendered for a period of eight (8) years after either the completion date of the Contract or the conclusion of any claim, litigation, or exception relating to the Contract taken by the State of Montana or third party.

## **9. VENUE**

This Contract is governed by the laws of Montana. The parties agree that any litigation arising from this Contract must be brought to the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees, except as set forth in Section 7, Indemnification.

## **10. REQUIRED INSURANCE**

**10.1 General Requirements.** TLYSC shall maintain for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

**10.2 Primary Insurance.** TLYSC's insurance coverage shall be primary insurance with respect to State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by State, its officers, officials, employees, or volunteers shall be excess of TLYSC's insurance and shall not contribute with it.

**10.3 Specific Requirements for Commercial General Liability.** TLYSC shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of **\$1,000,000** per occurrence and **\$2,000,000** aggregate per year to cover such claims as may be caused by any act, omission, or negligence of TLYSC or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of TLYSC, including the insured's general supervision of Contractor, products, and completed operations, and the premises owned, leased, occupied, or used.

**10.4 Specific Requirements for Automobile Liability.** TLYSC shall purchase and maintain coverage with split limits of **\$500,000** per person (personal injury), **\$1,000,000** per accident occurrence (personal injury), and **\$100,000** per accident occurrence (property damage), OR combined single limits of **\$1,000,000** per occurrence, to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, owned, or borrowed by TLYSC.

**10.5 Deductibles and Self-Insured Retentions.** Any deductible or self-insured retention must be declared to and approved by State. At the request of State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects State, its officers, officials, employees, or volunteers; or (2) at the expense of TLYSC, TLYSC shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

**10.6 Certificate of Insurance/Endorsements.** A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages has been received by Department of Corrections, P.O. Box 201301, 5 S. Last Chance Gulch, Helena, MT 59620-1301. *The certificates must name the State of Montana as certificate holder and Contractor shall provide copies of additional insured endorsements required by Contractor's commercial general liability and automobile liability policies.* Contractor must notify State immediately of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. State reserves the right to require complete copies of insurance policies at all times.

**10.7 Recommended Cyber/Data Information Security Insurance.** TLYSC acknowledges responsibility for loss or unauthorized acquisition of personal information it holds such as social security numbers, credit card numbers, financial account information, or other information that uniquely identifies an individual and may be of a sensitive nature in accordance with § 2-6-1501, MCA through § 2-6-1503, MCA. In absence of insurance coverage specific to this type of coverage, Contract assumes personal liability for any such information breaches.

## **11. COMPLIANCE WITH WORKERS' COMPENSATION ACT**

TLYSC shall comply with the provisions of the Montana Workers' Compensation Act while performing work for State of Montana in accordance with §§ 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither TLYSC nor its employees are State employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be sent to Department of Corrections, P.O. Box 201301, 5 S. Last Chance Gulch, Helena, MT 59620-1301.

## **12. COMPLIANCE WITH LAWS**

TLYSC shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. TLYSC is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act 42 U.S.C. § 18001 et seq. TLYSC will comply with the Prison Rape Elimination Act 34 U.S.C. § 30301 et seq., the Prison Rape Elimination Act final rule 28 CFR Part 115, MDOC Policy 1.1.17, Prison Rape Elimination Act, and ACCD 1.3.1400 PREA to include incident reporting. TLYSC shall establish a zero-tolerance policy to incidents of sexual assault/rape or sexual misconduct. TLYSC is referred to § 45-5-501, MCA. Any subletting or subcontracting by TLYSC subjects subcontractors to the same provisions. In accordance with § 49-3-207, MCA, and State of Montana Executive Order No. 04-2016, TLYSC agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications

and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

**12.1 Affordable Care Act.** The Affordable Care Act requires a Contractor, if Contractor is an applicable large employer under the ACA, to provide healthcare coverage for its employees who provide services for the State and work for 30 or more hours per week. This coverage must also cover the eligible employee's dependents under the age of 26. The coverage must (a) meet the minimum essential coverage, minimum value, and affordability requirements of the employer responsibility provisions under Section 4980H of the Code (ACA), and (b) otherwise satisfy the requirements of the Code § 4980H (ACA).

### 13. MISCELLANEOUS PROVISIONS

**13.1** . There shall be no separate legal entity created as a result of this Contract.

**13.2** . This Contract will not result in the acquisition of property requiring disposal upon termination of the Contract.

**13.3** . The above-stated provisions constitute the entire Contract between the parties hereto.

**STATE OF MONTANA**  
**Montana Department of Corrections**  
**5 S. Last Chance Gulch**  
**Helena, MT 59601**

**YELLOWSTONE COUNTY**  
**On behalf of TLYSC**

\_\_\_\_\_  
 Steve Ray, Superintendent  
 Pine Hills Correction Facility

(Date)

\_\_\_\_\_  
 Donald Jones, Chairman  
 Yellowstone County Commission

(Date)

3-16-22

Approved as to Form:

\_\_\_\_\_  
 Kristi L. Hernandez, Contracts Officer  
 Department of Corrections

(Date)

Approved as to Legal Content:

\_\_\_\_\_  
 Molenda McCarty, Legal Counsel  
 Department of Corrections

(Date)